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FISCAL IMPACT STATEMENT

LS 6329

BILL NUMBER: SB 304

SUBJECT: Court Reporter Licensing.

FIRST AUTHOR: Sen. Taylor

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

NOTE PREPARED: Dec 10, 2012

BILL AMENDED:

BILL STATUS: As Introduced

IMPACT: State & Local

Summary of Legislation: The bill prohibits a person from practicing court reporting after June 30, 2014, unless the person is a licensed court reporter. The bill establishes the Court Reporter Board (CRB). The bill requires the board to determine the qualifications for licensure and establish requirements for ethical behavior and continuing education for licensed court reporters.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Summary:* It is estimated the impact of this provision on the Professional Licensing Agency (PLA) expenditures would be approximately \$9,400 per fiscal year.

Explanation of Estimated Expenditure- PLA Staffing- The PLA would provide the administrative staff for the Court Reporter Board. Court reporter license administration would likely be assigned to one of the four existing work groups within the PLA for nonmedical professions. The four work groups are currently responsible for the administration of approximately 178,000 active nonmedical professional licenses and certifications. The average salary cost per license by these groups is currently \$3.89. Using the \$3.89 average multiplied by 660 potential new licenses would equate to a salary cost of approximately \$2,565 biennially. An additional 660 licenses would represent an increase of 0.37% in nonmedical license processing for the PLA.

Board Costs- The following table illustrates the estimated annual cost of the proposed board based on four meetings per year.

Expense	Estimated Amount
Per Diem & Subsistence*	\$2,490
Mileage**	\$2,460
Mailing and Packet Preparation	\$350
Staffing Cost***	\$2,665
Printing/Seals	\$100
ANNUAL TOTAL	\$8,065
* Assuming all CRB members are not state employees and receive subsistence. ** Calculated with an average round trip to board meetings of 100 miles. *** Average staff cost for a full-day meeting among nonmedical work groups multiplied by four meetings.	

Adding in the annual salary cost to process approximately 660 licenses would increase the annual cost to \$9,400.

Background Information: PLA Staffing- As of December 3, 2012, there were two staff positions vacant within the four PLA nonmedical work groups. The salary value of these positions is approximately \$45,500.

Board Membership- The bill would establish a seven-member board, with the members appointed by the Governor. Initial appointments would be made before September 1, 2013. Three initial members' terms would expire June 30, 2017, two members' terms would expire June 30, 2015, and two members' terms would expire August 31, 2014.

Explanation of State Revenues: *Summary:* The CRB would set fees for the licensure of court reporters. The increase to state revenues would depend on the fee set and the number of persons seeking licensure. There were about 630 to 692 persons employed as court reporters during 2011. If all were licensed at a biennial fee of \$100, which is similar to the fees charged to several nonmedical professionals, the revenue generated would range from \$63,000 to \$69,200 over a two-year period.

Depending on the number of persons that may apply for licensure under the bill, fees could be set by the proposed CRB to cover license administration and board costs. If the biennial fee was set to cover the board and salary cost to process about 660 licenses, roughly the midpoint, the biennial fee would be approximately \$28.

Class B Misdemeanor- A person would no longer be able to be a court reporter without being licensed. A person that knowingly engaged in court reporting without a license would commit a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund (from fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class B misdemeanor is \$1,000. However, any additional revenue would likely be small.

Background Information- As of the end of FY 2011, there were 692 court reporters employed in the various circuit, superior, probate, and city/town courts within the state. U.S. Department of Labor OES statistics reported 630 persons were employed as court reporters in Indiana during May 2011.

Explanation of Local Expenditures: Class B Misdemeanor- A Class B misdemeanor is punishable by up to 180 days in jail.

Explanation of Local Revenues: Class B Misdemeanor- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, any change in revenue would likely be small.

State Agencies Affected: Professional Licensing Agency.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Professional Licensing Agency; U.S. Department of Labor, OES May 2011 Statistics; *2011 Indiana Trial Court Statistics Vol. 3*; State Staffing Report 12/03/2012.

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